

Cloud Sovereignty

3 Proven Plays for Heads of I&O to Earn Trust and Cut Risk



Introduction

Heads of infrastructure and operations (I&O) face unprecedented pressure to align their organizations' cloud strategies with rising demands for compliance, data privacy and digital sovereignty. As regulatory requirements intensify and geopolitical shifts reshape the cloud landscape, I&O teams must deliver operational agility while meeting strict mandates for data location, security and access.

As foreign cloud providers dominate the market, data protection laws evolve and regulators apply heightened scrutiny, heads of I&O must prioritize sovereignty. Success depends on building collaborative, cross-functional strategies that embed compliance and privacy into every layer of cloud operations — while sustaining the speed and innovation the business demands. This approach calls for a clear grasp of sovereignty dimensions, the ability to implement technical controls and the agility to adapt to ongoing regulatory change.

Heads of I&O can turn compliance and sovereignty from obstacles into sources of trust, resilience and competitive advantage. This roadmap offers actionable guidance to help organizations close the gap between regulatory expectations and cloud innovation — empowering I&O teams to lead with confidence in a complex, high-stakes environment.

Key questions

- > What are the **major trends** shaping compliance, privacy and sovereignty in cloud platforms today?
- > What are the **top challenges** for heads of I&O in implementing sovereignty approaches?
- > What **actions** can I&O teams take to ensure secure, compliant and innovative cloud operations?



Why cloud sovereignty is a top priority

Laws on data privacy, residency and sovereignty are multiplying and changing fast.



**Evolving
regulations**



**Geopolitical
uncertainty**



**AI and data
ethics**



**Business trust
and reputation**

Emerging AI and privacy requirements add new layers to sovereignty challenges.

Global events and foreign provider dominance create new compliance and operational risks.

Organizations must demonstrate control and transparency to earn trust and remain competitive.

3 key trends shaping the cloud sovereignty landscape



Regulatory acceleration and global complexity

Governments are enacting new data protection, privacy and sovereignty laws. Heads of I&O must navigate overlapping regulations and scrutiny on data location as foreign hyperscalers create conflicting legal risks. AI sovereignty — like local processing and algorithm transparency — adds further compliance complexity.



Sovereignty as a competitive differentiator

Organizations leverage digital sovereignty to build trust, meet customer expectations and stand out in the market. I&O teams embed sovereignty controls like data residency, operational transparency and technological independence into their cloud strategies to evolve compliance from a cost center into a source of business value.



Shift toward automated and embedded compliance

Modern cloud complexity drives adoption of automation, infrastructure as code (IaC), policy as code and AI-powered compliance. I&O leaders embed compliance through technical controls, continuous monitoring and intelligent automation to enforce sovereignty and privacy. AI tools detect risks, automate enforcement and deliver real-time insights — reducing risk and enabling innovation.

3 challenges and actions for heads of I&O

Challenges

Actions

01

Navigating regulatory complexity and global fragmentation

The proliferation of new data protection, privacy and digital sovereignty laws across regions creates a fragmented compliance landscape. I&O leaders must interpret and operationalize overlapping — and sometimes conflicting — requirements, while managing the risks posed by foreign cloud providers and extraterritorial regulations.

Establish a unified compliance and sovereignty framework

Develop a cross-functional team (IT, security, legal, compliance) to interpret global regulations, define clear sovereignty requirements and implement a centralized framework for compliance. Leverage research-backed models to maintain alignment as laws evolve. Ensure ongoing education for all stakeholders.

02

Balancing innovation with sovereignty controls

Embedding data residency, operational transparency and technological independence into cloud operations can slow down innovation and increase complexity. I&O leaders must balance the need for agility and scalability with the rigorous demands of sovereignty and privacy mandates.

Automate and embed compliance into cloud operations

Adopt IaC, policy as code and automated monitoring to make compliance and sovereignty controls intrinsic to cloud deployments. Integrate compliance checks into CI/CD pipelines. Use centralized dashboards for real-time visibility across multicloud environments.

03

Managing risk from third-party and hyperscaler dependencies

Relying on foreign hyperscalers or external vendors exposes organizations to regulatory and geopolitical risks. Heads of I&O must also balance sovereignty requirements with business continuity, ensuring compliance does not compromise resilience or recovery.

Diversify cloud partnerships and invest in sovereignty-enabling technologies

Evaluate and partner with trusted local or regional cloud providers where possible. Invest in technologies, such as external key management, confidential computing and enhanced auditing, to maintain control over data and operations, regardless of provider location.

01 Action

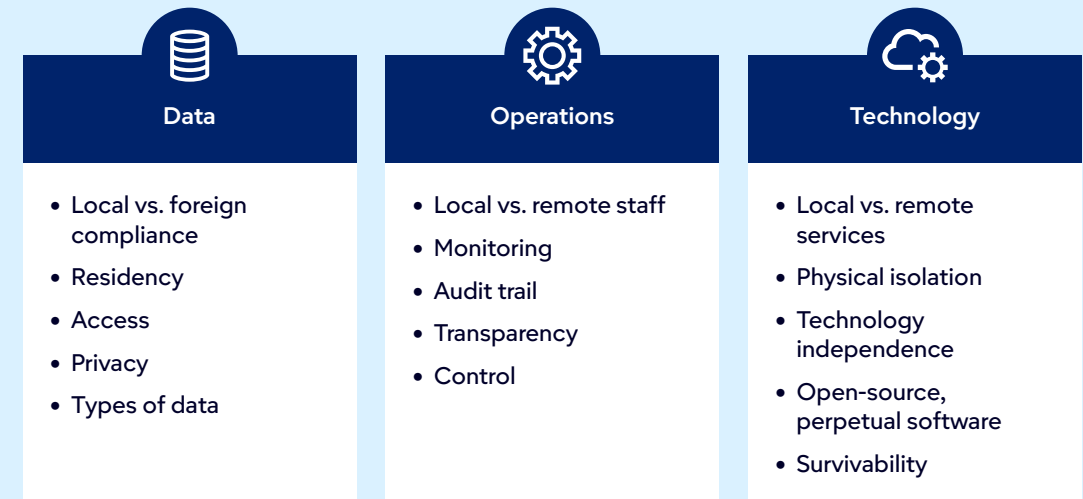
Establish a unified compliance and sovereignty framework

Building a robust cloud sovereignty strategy demands close collaboration among IT, security, legal and compliance teams. Heads of I&O must coordinate efforts to interpret global regulations, define sovereignty requirements and operationalize controls that ensure compliance with evolving mandates. This unified approach minimizes risk, maintains business agility and protects data privacy in a complex regulatory landscape.

Regulatory requirements differ across regions, and stakeholders hold varying views on risk, operational transparency and technological independence. To overcome these challenges, organizations should establish a centralized compliance framework that integrates input from all functions, communicates expectations clearly, and adapts to new laws and mandates.

Cross-functional teams and a unified compliance model create a solid foundation for cloud sovereignty. Heads of I&O need to address regulatory changes proactively, reduce fragmentation, and build trust with customers and regulators — supporting secure, resilient and innovative cloud operations.

Must-have characteristics of a sovereign cloud strategy



Source: Gartner

02 Action

Automate and embed compliance into cloud operations

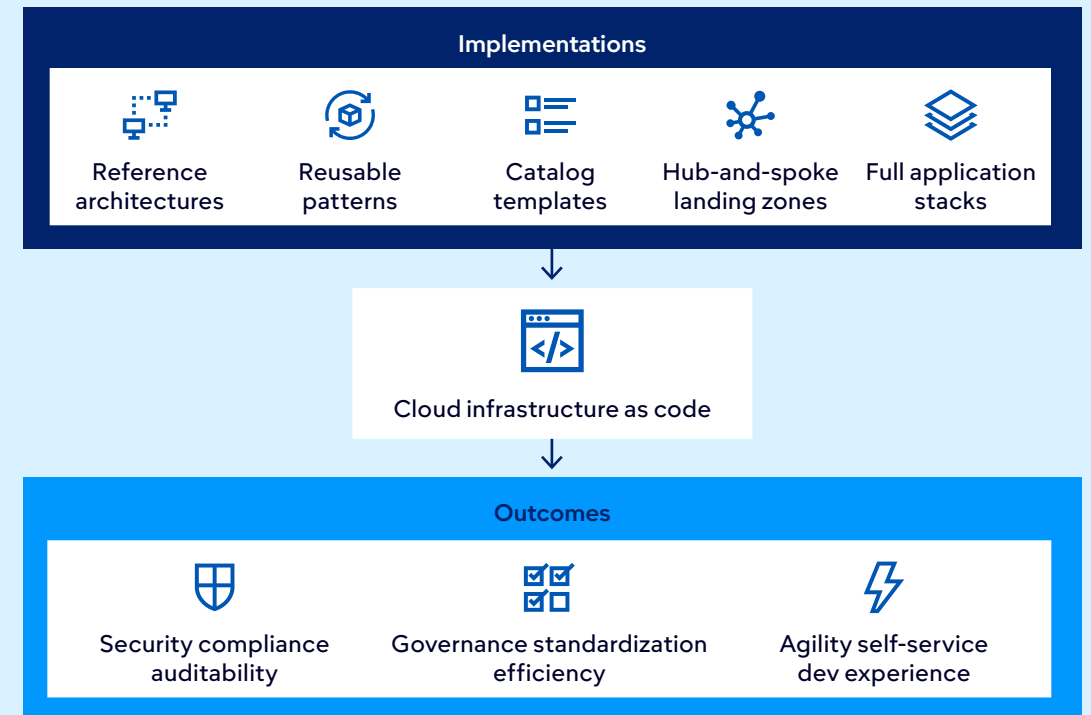
To balance innovation with sovereignty controls, heads of I&O must embed regulatory requirements directly into cloud operations and move beyond manual compliance processes.

Automation, IaC, policy as code and automated monitoring ensure consistent enforcement of compliance and sovereignty mandates across all deployments, regardless of scale or cloud provider.

This approach maintains agility and control. Automated compliance checks within CI/CD pipelines, centralized dashboards for real-time monitoring and continuous auditing capabilities enable organizations to identify and remediate risks proactively. Embedded controls reduce human error, accelerate deployment cycles, and ensure sovereignty and privacy requirements are met by default.

By making compliance intrinsic to the cloud life cycle, heads of I&O can empower teams to innovate rapidly while minimizing regulatory risk and operational complexity.

Use of cloud IaC to drive desired outcomes



Source: Gartner

03 Action

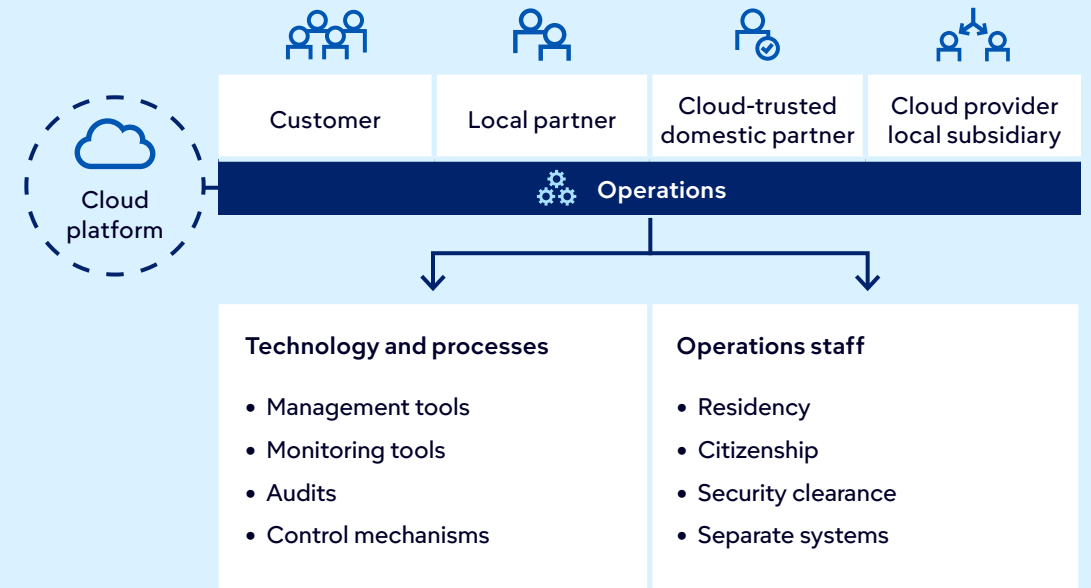
Diversify cloud partnerships and invest in sovereignty-enabling technologies

Managing risk from third-party and hyperscaler dependencies demands a proactive strategy that prioritizes operational control and regulatory compliance. Heads of I&O should evaluate opportunities to diversify cloud partnerships by leveraging trusted local or regional providers and forming strategic alliances that align with sovereignty requirements. Expanding the number of providers can also increase cloud sprawl and management complexity.

Investing in sovereignty-enabling technologies (external key management, confidential computing and advanced auditing tools) gives organizations control over sensitive data and critical operations, regardless of cloud workload location. These technologies mitigate risks tied to foreign government access, service disruptions and shifting regulatory demands.

By combining a diversified provider strategy with best-in-class technical controls, heads of I&O reduce dependency risks, strengthen operational resilience, ensure compliance with both current and future sovereignty mandates, and stay alert to the challenges of provider sprawl and integration.

Solutions for delivering operational sovereignty



Source: Gartner

Recommended Gartner Insights



[Build a Sovereign Cloud Strategy ↗](#)

[Sovereign Cloud: Understand and Address Sovereignty Requirements ↗](#)

[Guide to Selecting the Best-Fit Voluntary Privacy Framework ↗](#)

[Use Infrastructure Platform Engineering and Infrastructure as Code to Secure Your Cloud ↗](#)

[Align Your Data Centers and Cloud With Evolving U.S. Cybersecurity Mandates ↗](#)

[Privacy Trends 2026 — How to Build Trust With Data Ethics, Sovereign Cloud and Frictionless UX ↗](#)

[Market Guide for Digital Sovereignty Solutions ↗](#)

[Raising Digital Sovereignty and Resilience in Government ↗](#)



[Gartner for I&O Leaders](#)

[Follow Us on LinkedIn](#)

[Become a Client](#)

Actionable, objective insights

Explore these additional complimentary resources and tools for I&O leaders:

Webinar



The Future of Cloud in 2030: AI-Enabling Cloud Services

Explore the evolving intersection of cloud computing and AI over the next five years and be prepared for this transformative convergence.

[Watch Now](#)

Tool



Accelerators

Achieve your strategic goals faster with self-service tools that include downloadable templates, case studies and quick lessons.

[Learn More](#)

Roadmap



AI-Ready Data Essentials

Ensure your data is ready for use in the specific AI initiatives you plan to pursue, and keep stakeholders aligned around what it really means for data to be AI-ready.

[Read More](#)

Tool



IT Score for Infrastructure and IT Operations

Benchmark performance and develop key actions to differentiate highly effective infrastructure and IT operations leaders.

[Learn More](#)

Already a client? Get access to even more resources in your client portal. [Log In](#) ↗

Connect with us

Get actionable, objective business and technology insights that drive smarter decisions and stronger performance on your mission-critical priorities.

U.S.: 1 855 322 5484

International: +44 (0) 3300 296 946

[Become a Client](#)

Learn more about Gartner for I&O Leaders
gartner.com/en/infrastructure-and-it-operations-leaders

Stay connected to the latest insights



Attend a Gartner conference
[View Conference](#)